

# SBA Connections

News from the Connecticut District Office

July, 2004

Kenneth Silvia, District Director

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All of the SBA's programs and services are provided to the Public on a nondiscriminatory basis.

## Lending News

**Greta Johansson, Deputy District Director**

Here you go, partners. Heading into the fourth quarter, we have accomplished great things yet still have a large challenge to meet. We have had a slight slowdown recently - while we are still ahead of our lending at this time last year, it's only by about 10% on the 7(a) side. Okay, that's still impressive, 90 more 7(a) loans as of 6/30/04 than as of 6/30/03. To meet this year's challenge, we need exactly 53 loans a week for the remaining weeks. Now we have about 85

participating lenders, so theoretically this is very possible.

As far as I know, all requests to become SBAExpress lenders have been processed except for one recently submitted. If you have a request pending, please let me know and I will follow up on it. If you have been unsuccessful getting SBAExpress status approved, call me and we'll work on it again. If you are a new SBAExpress lender and would like a refresher course, call and we'll arrange that, too.

Some things to note:

- If you look at the double-digit lenders, there's a change from past years. Thomaston Savings Bank is in the top 10 of 7(a) lenders - got there a few months ago and is holding strong. First County Bank is in double digits - did that back in '02 also, but with a full quarter yet to go they could exceed even that level.

- Thirty-one different lenders have participated in 504 projects. That's impressive. (A couple of those have not done any 7(a) loans - let's chat!)

There are many other highlights, many lenders who have rebounded from slower times, many new mergers and acquisitions. By no means do I mean to slight anyone I do not specifically mention. We appreciate the support we get from all of you.

We also now have 31 approved SBAExpress lenders, so there should be at least 31 lenders in the double digits - right? Let us know how we can help you!

Please feel free to give us a call if you have any questions at (860) 240-4700.

## Get to Know Your Connecticut District Office Staff

### Greta Johansson

Deputy District Director



Greta Johansson is the Deputy District Director for the Connecticut District Office of the U.S. Small Business Administration. In this capacity she shares responsibility with the Director for administration and implementation of the Agency's programs throughout the State

of Connecticut. The Connecticut District Office currently employs 20 people who collectively implement the loan, education and other small business support programs.

Ms. Johansson served for over 14 years with the SBA's Disaster Loan Program. She joined Disaster Area 1 when Connecticut suffered flooding in the summer of 1982, and subsequently worked for eight years in Area 4 in Sacramento, CA and five years as the Deputy Area Director for Area 1 after its move to Niagara Falls, NY. During those years Ms. Johansson's experiences with disasters covered a broad range of events from small, localized fires to wide-scale flooding and high-level destruction from earthquakes and hurricanes.

Ms. Johansson was raised in Mystic, Connecticut and returned to the state in October 1996 to join this office. She holds a BS degree in Mathematical Sciences from Stanford University and currently resides in Wethersfield, CT.

## Ensuring Accuracy of Electronic Versions of SBA Forms

SBA Notice 9000-1529

This notice serves as a reminder that all certified development companies (CDCs), and lenders participating in the 7(a) and 504 business loan programs must take steps to ensure that electronic

versions of SBA forms are exact reproductions of the original forms.

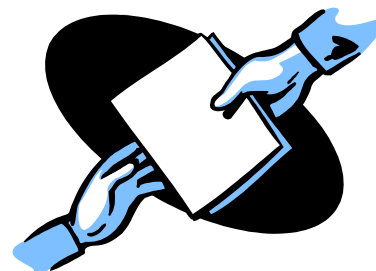
An SBA employee recently brought to the attention of the Office of Inspector General (OIG) that a company which supplies software to lenders to allow creation of electronic SBA forms was providing an inaccurate version of Form 912, Statement of Personal History. After learning of the inaccuracies, the company that provided the software corrected the problem and notified its clients of the correction.

SBA regulations state as follows:

Any Applicant or Participant may use computer generated SBA application forms, closing forms, and other forms designated by SBA **if the forms are exact reproductions of SBA forms.** (13 C.F.R. § 120.194; emphasis added)

In addition, the regulations governing denial of 7(a) loan guarantees provide that "SBA is released from liability on a loan guarantee (in whole or in part, within SBA's exclusive discretion), if ... the Lender has failed to use required SBA forms **or exact electronic copies** ...." 13 C.F.R. § 120.524(a) (9) (emphasis added). These provisions impose an obligation on all SBA employees whose responsibilities pertain to the 7(a) and 504 business loan programs, and to the CDCs and lenders participating in those programs, to exercise vigilance to ensure that electronic or computer-generated forms are "exact reproductions of SBA forms." Please make sure that lenders and CDCs in your area are notified about the need to ensure that electronic forms are accurate and that any inaccuracies should be reported to the local district office or the Office of Financial Assistance.

SBA Forms are available to the public under "Financial Assistance Forms" at <http://www.sba.gov/library/forms.html>. If lenders or CDCs have any questions regarding this Notice, they should contact the Connecticut District Office.



## SBA Success Stories

We are looking for success stories. If you or someone you know has benefited from SBA assistance, we would like to hear from you.

We are interested in businesses that have been operating for 3 to 5 years, have 15 or more employees, and have received helpful assistance through an SBA loan program or service, or through one of our resource partners i.e., SCORE, CSBDC, WBC, etc.

We would like to promote some of the successful businesses that have been assisted through the Connecticut District Office.

If you know of a business that fits these criteria please contact Debra Dillon at (860) 240-4700 ext. 242 or via email at [Debra.Dillon@sba.gov](mailto:Debra.Dillon@sba.gov).



## Upcoming Events

**Aug 12** Monthly 8(a); BD/SDB; and HUBZone Workshop 10:00a.m. – 11:00a.m. at 330 Main St. 2<sup>nd</sup> Floor, Hartford, CT  
For more information contact [kathleen.jennings@sba.gov](mailto:kathleen.jennings@sba.gov)

**Aug 12** CT Minority & Business Showcase 9:00 a – 4:00 p  
U.S. Postal Facility  
New Haven, CT 06511  
For more information contact [www.ctshowcase.biz](http://www.ctshowcase.biz)

Check out our website for other ongoing seminars and workshops for small business [www.sba.gov/ct](http://www.sba.gov/ct)

### FREE!

The Connecticut District Office holds 8(a) Business Development, Small Disadvantaged Business and HubZone workshops the 2nd Thursday of each month.

For more information contact Kathleen Jennings at (860) 240-4700 ext. 227 or email [Kathleen.Jennings@sba.gov](mailto:Kathleen.Jennings@sba.gov)



## SBA Corner

Jeffrey H. Butland, Regional Administrator

**I own a small business and I am now thinking of the possibility of exporting my products. Is there any help the SBA can offer?**

The SBA offers a wide range of long and short-term financing options for small business exporters. If you are now exporting, or are preparing to export, the SBA export finance programs can help. Working capital may be made available as a line of credit, or as a working capital term loan.

One option is the Export Working Capital Program in which the SBA backs loans of up to \$2 million with a government guaranty of up to \$1.5 million or 90 percent of the loan amount, whichever is less. This line of credit allows U.S. exporters to cover 100 percent of costs up front, in order to fill export orders. Those costs might be labor and materials for manufacturers, but also could be the cost of purchasing goods for resale in foreign markets.

We also offer the SBA Export Express guaranty of 85 percent for loans up to \$150,000.00 and 75 percent for loans between \$150,000 and \$250,000. To qualify, at least some portion of the loan proceeds must be used to develop export business. For instance, the funds might be used to cover marketing expenses, international travel, trade shows, translation of literature or translation of a web site. Some of the loan may also be used for domestic business.

The SBA Corner focuses on issues about starting or expanding an existing small business. Please direct all inquiries to the Connecticut District Office at 860-240-4700 or visit the SBA web site at [www.sba.gov/ct](http://www.sba.gov/ct). If you have a question you would like to see answered in this column, email it to [Debra.Dillon@sba.gov](mailto:Debra.Dillon@sba.gov).

**Connecticut District Office**  
**Fy 2004 Loan Volume by Lender**  
**As of 6/30/04**

Citizens Bank	263	\$10,990,800
Fleet National Bank	130	\$7,658,700
Webster Bank	63	\$9,869,100
Capital One, FSB	58	\$2,150,000
BankNorth, NA	42	\$5,655,000
CIT Small Business Lending Corp.	26	\$10,176,400
Peoples Bank	28	\$,651,000
Fairfield County Bank Corp.	28	\$3,006,500
Sovereign Bank	26	\$2,338,000
Thomaston Savings Bank	23	\$1,383,100
Commercial Loan Partners, Inc.	22	\$11,179,000
Connecticut Community Investment Corp.	22	\$8,851,000
Cornerstone Business Credit, Inc.	20	\$6,927,000
JP Morgan Chase Bank	14	\$ 915,000
Housatonic Industrial Development Corp.	12	\$4,992,000
Hudson United Bank	11	\$2,056,500
First County Bank	10	\$2,430,750
Business Lenders, LLC	9	\$2,399,000
Wachovia Bank, NA	9	\$1,983,500
Northwest Community Bank	9	\$1,212,500
The Washington Trust Company of Westerly	8	\$ ,337,000
UPS Capital Business Credit	8	\$4,830,000
NewAlliance Bank	7	\$1,480,000
NewMil Bank	7	\$1,372,500
Farmington Savings Bank	7	\$ 735,000
Essex Savings Bank	7	\$ 728,000
Union Savings Bank	7	\$ 627,000
Savings Bank of Danbury	7	\$ 374,500
The Simsbury Bank & Trust Co.	6	\$ 805,000
Rockville Bank	5	\$ 755,000
Citibank, FSB	5	\$ 260,000
The Apple Valley Bank & Trust	4	\$1,704,000
Valley National Bank	4	\$1,125,000
Newtown Savings Bank	4	\$1,205,000
The Bank of Southern Connecticut	4	\$ 927,000
The Bank of Western Connecticut	4	\$ 179,000
Business Loan Center	3	\$3,503,000
Commerce Bank	3	\$1,338,000
Unity Bank	3	\$1,125,000
Independence Bank	3	\$ 355,000
HSBC Bank USA	3	\$ 200,000
Liberty Bank	3	\$ 102,500
Pitney Bowes Small Business Lending, LLC	2	\$1,930,000
Connecticut Business Development Corp.	2	\$1,224,000
Prime Bank	2	\$ 730,000
GE Capital Small Business Finance Corp	2	\$ 715,000
Temecula Valley Bank, N.A.	2	\$ 513,600

The First National Bank of Litchfield	2	\$ 352,000
Castle Bank & Trust Company	2	\$ 185,000
Broadway National Bank	1	\$ 750,000
First National Bank of Suffield	1	\$ 625,000
Comerica Bank – Texas	1	\$ 542,000
Enfield Federal Savings & Loan Association	1	\$ 517,000
Small Business Loan Source, Inc.	1	\$ 486,000
The Canaan National Bank	1	\$ 422,000
Valley Bank	1	\$ 200,000
First City Bank	1	\$ 180,000
Salisbury Bank & Trust Company	1	\$ 150,000
Westbank	1	\$ 150,000
The Community's Bank	1	\$ 150,000
Chelsea Groton Savings Bank	1	\$ 100,000
Connecticut River Community Bank	1	\$ 100,000
The Warwick Savings Bank	1	\$ 100,000
<b>TOTAL</b>	<b>965</b>	<b>\$136,962,950</b>

The following list represents lenders providing first position financing in participation with 504 projects, with the 504 debentures included in the above list under the CDCs.

<b>504 Loans</b>		<b>SBA Portion</b>	<b>Total Project</b>
Webster Bank	8	\$1,740,000	\$4,585,500
CIT Small Business Lending Corp.	5	\$3,107,000	\$7,852,550
Fleet Bank	4	\$3,132,000	\$9,785,000
Union Savings Bank	4	\$ 801,000	\$1,931,300
Thomaston Savings Bank	3	\$2,061,000	\$5,812,500
Rockville Bank	3	\$1,404,000	\$3,415,500
Bank of Southern Connecticut	3	\$ 507,000	\$1,214,500
NewMil	2	\$1,300,000	\$3,505,000
Peoples Bank	2	\$1,229,000	\$4,211,000
Fairfield County Bank Corp.	2	\$1,029,000	\$2,491,000
Liberty Bank	2	\$ 864,000	\$2,118,000
BB&T (Vine ST. Financial)	1	\$1,300,000	\$6,551,000
GE Capital Corp.	1	\$ 778,000	\$1,907,000
Hudson United Bank	1	\$ 757,000	\$1,834,100
Bank of Western Massachusetts	1	\$ 723,000	\$2,100,000
Hampden Savings Bank	1	\$ 695,000	\$2,036,000
Zions Bank	1	\$ 841,000	\$2,040,000
Citizens Bank	1	\$ 411,000	\$1,006,400
NCB, FSB	1	\$ 377,000	\$ 909,200
Business Loan Express	1	\$ 346,000	\$ 835,000
First National Bank of Litchfield	1	\$ 313,000	\$ 754,000
Newtown Savings Bank	1	\$ 311,000	\$ 750,000
Enfield Federal Savings Bank	1	\$ 295,000	\$ 710,000
Essex Savings Bank	1	\$ 258,000	\$ 620,000
Dime Savings Bank	1	\$ 242,000	\$ 775,300
First City Bank	1	\$ 208,000	\$ 508,000
Jewett City Savings Bank	1	\$ 202,000	\$ 552,600
Northshore Bank	1	\$ 195,000	\$ 475,800
Simsbury Bank	1	\$ 151,000	\$ 360,000
Savings Bank of Manchester	1	\$ 152,000	\$ 360,000
Banknorth	1	\$ 110,000	\$ 260,000
<b>TOTAL</b>	<b>58</b>	<b>\$25,839,000</b>	<b>\$72,265,750</b>



# SBA Success Story

## WordCrafters, Inc. Kerrie Godding, Owner

The idea of WordCrafters Inc. was born out of need. Based on direct experience working for the Federal government, Kerrie Godding knew that continual budget cuts combined with widespread use of the World Wide Web was over-tasking program managers throughout the government. To offer relief, Ms. Godding founded WordCrafters Inc., a company focused on writing and managing web site content.

The challenge: How does a brand new, unproven firm get a government contract? While many government offices might recognize the need for the services, rarely will a buyer offer a contract of any sort to an unproven firm, never mind one whose results will be posted on the web.

Godding persisted. She talked with many Navy contracting officers, and during one of those conversations, contracting officers mentioned the SBA HUBZone Certification Program. Godding went to the web, read all about it, entered the office address and lo and behold, the office was in a HUBZone! She immediately submitted an application for certification and within 3-4 weeks WordCrafters became a certified HUBZone firm. Better than that, within 3 months of being certified, Godding proudly signed her first \$2.3 million, 3 year contract with the Department of the Navy's LIFELines Services Network.

"If we hadn't been a HUBZone firm, we would have never gotten the contract and may very well have gone out of business," says Godding. "And as a special added bonus," she continued, "when our contract was awarded to us in 2001, because the Department of Defense had made it a requirement to hire HUBZone firms, the contracting officer who negotiated the contract was given an award by his superiors for contracting with WordCrafters Inc., a HUBZone firm."

Wordcrafters continues to grow at a steady but controlled pace. It is now incorporated and has expanded its services. Initially focused on quality-of-life articles and graphics for the Federal government, the company now provides support to program managers in web site maintenance. More recently, after learning that web site development and maintenance is often contracted out, content remains the responsibility of the program manager. By adding a branch of part-time freelance Internet content specialists, WordCrafters Inc. has begun meeting this need while ensuring high quality control.



Kerrie Godding, center and Staff  
of WordCrafters, Inc.

And what is SBA's HUBZone program for? The acronym stands for Historically Underutilized Business Zone. Ms. Godding points out that New London has been facing financial challenges for some time now. However, after WordCrafters invested \$20,000 into building improvements, two other businesses on the street repainted and purchased new signs, and a restaurant opened on the corner.

WordCrafters' business success helps illustrate the goals of the HUBZone program.

While a nearby fire forced WordCrafters to move, their current location is again in a HUBZone, and Godding remains committed to New London, its economic development, and is a strong supporter of the arts in the area.

Godding and WordCrafters are working on attaining their third subcontract from the Department of Defense. She has sound reasoning for maintaining slow but steady growth. "While we believe that our business is a good, solid idea that will succeed, we want to be sure we have all of our systems in place, that we did things well and smartly before we pursued other contracts," states Godding. "We've seen far too many small businesses grow too fast and fail. Our goal has always been to be around for a long time."

To learn more about WordCrafters, visit [www.wordcrafters.org](http://www.wordcrafters.org). To learn more about SBA's HUBZone or other programs, visit [www.sba.gov](http://www.sba.gov) or call your Connecticut District Office at 860-240-4700.

# SPOTLIGHT ON!

## Connecticut

6<sup>th</sup> Annual SWIB

### Successful Women in Business Conference



L to R – Leslie Mills, Owner Griswold Special Care,  
Keynote Speaker, Frank Acuff.

On Friday July 17<sup>th</sup> the 6<sup>th</sup> annual SWIB Conference “Wealth: Get It! Grow It! Share It,” was held at Quinnipiac University, Hamden.

This year’s conference was produced by NAWBO, (National Association of Women Business Owners) and had Kristen Cusato, WTNH Channel 8 newscast anchor as MC. Keynote speakers included Frank Acuff, author, and director of Management Development Int’l., Elaine Taylor-Gordon, publisher of WomensBiz.US, and State Rep. Diana Urban among others.

The conference which had over 200 attendees offered 12 workshops and day-long free mini massages and facials and an SBA sponsored matchmaker.



Kathleen Jennings, SBA BOS center



SBA staff, L – R, Nicole Parent, Jessica Rivera

## More

## CONNECTIONS

Hartford SBA OWBO-CT Entrepreneurial Center <http://careerounselingcenter.org/SBA-OWBO-Ctmain.htm>

SBA 50<sup>th</sup> Anniversary celebration information visit [www.sba.gov/50](http://www.sba.gov/50)

SBA en Español [www.sba.gov/espanol/](http://www.sba.gov/espanol/)

Hartford Economic Development Commission [www.hartforddecodev.com](http://www.hartforddecodev.com)

Federal Information and services to business [www.business.gov](http://www.business.gov)